

Subcommittee on International Trade and Finance

NOTES AND RECOMMENDATIONS (FOR THE ACTING CHAIRMAN ONLY)

8. The agencies represented on the subcommittee are as follows:

State	- *
Army	- (Baxter Wood)
Navy	- (John F. Crone)
Air Force	- (Richard P. Oliver)
CIA	- [REDACTED] Executive Secretary) 25X1A9a
Commerce	- (Carl P. Blackwell)
Federal Reserve Board	- (Wendell E. Thorne)
ICA	- **
OSD	- (Prentice H. Dean)
Treasury	- (Morris J. Fields)

Notes: * Vacant at present; Harry Bell scheduled to enter on duty, and be appointed to SC in the near future.

** Jerome Forrest to be designated as ICA member in the near future.

9. This committee has been derelict in not performing the minimum EIC SC functions in the past. In some part, this has been because of the slight interest and prolonged non-availability of the State Department representative (and Chairman). State and CIA are the agencies most actively engaged in research in the field of this SC. The former State Department member, Alfred Reifman, was not available for SC work for over a year, and subsequently, transferred from State. Ed Doherty informs us that a very able replacement for Reifman, Harry Bell, is scheduled to enter on duty in the near future. Bell is a capable economist. His presence on the SC would be of considerable assistance in revitalizing it. Given the work done in the general field of trade and finance by the EDAC/EDIC structure, the Soviet economic penetration working group and the EIC-R-1 working groups—and the limited research facilities in this field other than those in OMR—any proposal for greatly expanded activities for this SC would seem unwarranted.

10. It is, therefore, recommended that:

a. The proposals contained in the attached memorandum from the SC Executive Secretary to the members thereof, relating to activities to be carried out during the remainder of FY 1957, be given the "blessing" of the EIC, with a strong prod to move in the direction indicated. [The carrying out of its minimum functions would appear to require at least two well-organized meetings per year in addition to such special meetings as may be required for the review of external research projects and exchange proposals. Once the SC begins to meet regularly, it may well generate additional useful functions along the lines of the "Additional Functions for EIC Subcommittees" of EIC-D-123/2.]

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Subcommittee on International Trade and Finance

b. You raise with State the question of special clearance for the new State Department member-designate (and presumably Chairman).

c. Following the completion of the SC's proposed Survey of Priority Research Deficiencies, it consider the undertaking by ad hoc working groups of the subcommittee of such urgently needed coordinated intelligence as may be called for.

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Subcommittee on General Economic Analysis

NOTES AND RECOMMENDATIONS (FOR ACTING CHAIRMAN ONLY)

5. The agencies represented on this SC are as follows:

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CIA	[REDACTED] (Chairman) , Executive Secretary)
State	(Herbert Block)
Army	(J. Duncan Holmes)
Navy	(Bennett V. S. Davis)
Air Force	(Ralph Z. Politte)
ICA	(Jerome Forrest)

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6. EIC review of this SC was discussed at a meeting on 16 May 1957, attended by [REDACTED]

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[REDACTED] There seems no practicable alternative to the EIC's discussing the role of the SC and the reasons for its not having been active in the coordination field—with the probable conclusion that it should continue pretty much as in the past (i.e., largely on a stand-by basis), and be concerned primarily with such routine functions as review of external research projects and exchange proposals, and projects which may be assigned to it by the EIC. The other EIC members may be able to recommend specific activities for this subcommittee which might be helpful. Such activities should, of course, be in the line of the subcommittee's duties, and should not create an undue burden on ORR's resources.

7. The SC on General Economic Analysis met on 29 May 1957—after the preparation of the EIC/S brief on this SC. The meeting agenda included:

- a. Consideration of the Federal Reserve proposal for exchange of banking delegations between the US and the USSR, and
- b. Review of the Air Force's proposed external research project on "Survey of Requirements for Industrial Process Analyses for Economic-Military Model of the Soviet Bloc".

The meeting was a fairly lively one, with a goodly amount of discussion particularly on the second item indicated above.

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